

News Release

Farm Service Agency
Public Affairs Staff

1400 Independence Ave. SW
Stop 0506
Washington, DC 20250-0506

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Steve Thompson (202) 720-7961
sthompson@wdc.fsa.usda.gov

USDA ANNOUNCES NONRECOURSE LOANS AND THE 1997-CROP REGIONAL LOAN RATES FOR SUGAR

WASHINGTON, September 25, 1997 -- The U.S. Department of Agriculture's Commodity Credit Corporation (CCC) today announced that nonrecourse loans will be available in FY 1998 for sugar eligible to be pledged as collateral for CCC loans. The national (weighted average) loan rates for 1997-crop raw cane sugar will be 18 cents per pound and for refined beet sugar 22.90 cents per pound. The Federal Agriculture Improvement and Reform Act of 1996 requires CCC to offer nonrecourse loans to sugar beet and sugar cane processors if the sugar tariff-rate quota is established at a level above 1.5 million short tons. The Secretary established the sugar tariff-rate quota at 2,011,718 short tons, raw value, on September 16, 1997.

The refined beet sugar processing regions and applicable FY 1998 loan rates, which are unchanged from last year, are:

<u>Region Number and Description</u>		<u>Cents per pound of refined beet sugar</u>
1.	Michigan and Ohio.	23.79
2.	Minnesota and the eastern half of North Dakota	22.73
3.	Northeastern quarter of Colorado, Nebraska, and the southeastern quarter of Wyoming.	23.01
4.	Texas.	23.61
5.	Montana, northwestern quarter of Wyoming, and the western half of North Dakota.	22.19
6/7.	Idaho, Oregon, and Washington.	22.48
8.	California.	23.62

Sugar beet processors who receive CCC loans in FY 1998 are required to make minimum payments for all sugar beets received from growers. Processors will be advised of the minimum payment levels during the loan application process.

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The FY 1998 loan rates for raw cane sugar are also unchanged and are:

<u>State</u>	<u>Cents per pound of cane sugar, raw value</u>
Florida	17.88
Hawaii	17.77
Louisiana	18.30
Texas	18.06
Puerto Rico	18.09

The loan rate is 18.00 cents per pound for sugar processed in Hawaii or Puerto Rico but pledged as CCC loan collateral while stored on the mainland of the United States.

The minimum payment levels for sugarcane that processors participating in the loan program must pay growers are as follows:

<u>Region or State</u>	<u>Minimum Prices</u>
Florida	\$25.75 per net ton
Hawaii	\$23.79 per net ton
Louisiana	\$22.87 per gross ton
Texas	\$21.51 per gross ton
Puerto Rico	\$18.26 per gross ton

Further program information is available from Dan Colacicco, (202) 690-0734, e-mail dcolacic@wdc.fsa.usda.gov.

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